We Claim:

1. A method for evaluating a portfolio of leased depreciable items comprising the steps of:

providing data on leased items;

providing data on market forecasts;

providing historical data on similar leased items;

assigning dates and dollar values of the leased item on those dates subject to occurrences of uncertain timing;

estimating residual value of the lease portfolio subject to the assigned dates and dollar values;

calculating a reserve level appropriate to the portfolio; and

acting on the evaluation.

2. The method of claim 1 wherein estimating residual value of the lease portfolio subject to the assigned dates and dollar values comprises estimating residual value of the lease portfolio subject to uncertain circumstances by Monte-Carlo analysis.

3. The method of claim 2 further comprising the step of assigning dates of occurrences to each lease.

4. The method of claim 2 further comprising the step of assigning dates of occurrences for each lease, including one or more event dates selected from the group consisting of early termination date, purchase termination date, return termination date, purchase sale date, and return sale date.

5. The method of claim 4 further comprising the step of assigning dollar values representing a forecast value the leased item to the dates of occurrences for each lease.

6. The method of claim 5 further comprising the step of assigning dollar values to the dates of occurrences for each lease wherein the dollar values are adjusted to reflect a lessor's own experience at auctions for the sale of previously leased items.

7. A method for evaluating a portfolio of leased depreciable items comprising the steps of:

    providing data on leased items;

    providing data on market forecasts;

    providing historical value and lease performance data for similar leased items;

    calculating depreciation data;

    calculating the predicted forecast market value for each leased item over the duration of the lease;

    adjusting the market forecast value to reflect prior lessor auction results;

    calculating the forecast price of an item as if it is purchased at the end of the lease period;

    assigning dates of occurrences for each lease, including one or more event dates selected from the group consisting of early termination date, purchase termination date, return termination date, purchase sale date, and return sale date;

    assigning based on probabilities the outcome of each lease account item as purchased, returned, or lease terminated early;

    calculating the predicted end of lease market value for each leased item at the completion of each lease, the completion type and date based on probabilities;

    estimating residual value of the lease portfolio subject to the predicted course for each lease account;

    reporting the results of the analysis;

    calculating a reserve level appropriate to the portfolio; and

    acting on the evaluation.

8. The method of claim 7 wherein assigning dates of occurrences for each lease, including one or more event dates selected from the group consisting of early termination date, purchase

termination date, return termination date, purchase sale date, and return sale date further comprises assigning by non-parametric Monte-Carlo analysis dates of occurrences for each lease, including one or more event dates selected from the group consisting of early termination date, purchase termination date, return termination date, purchase sale date, and return sale date.

9. The method of claim 7 wherein calculating the forecast price of an item as if it is purchased at the end of the lease period further comprises calculating by non-parametric Monte-Carlo analysis the forecast price of an item as if it is purchased at the end of the lease period.

10. The method of claim 7 wherein assigning based on probabilities the outcome of each lease account item as purchased, returned, or lease terminated early assigning based on probabilities further comprises assigning based on probabilities as calculated through non-parametric Monte-Carlo analysis, the outcome of each lease account item as purchased, returned, or lease terminated early.

11. The method of claim 7 wherein adjusting the market forecast value to reflect prior lessor auction results further comprises adjusting the market forecast value through parametric Monte-Carlo analysis, to reflect prior lessor auction results.